

# Key Operating Conditions - Medical Marijuana Dispensaries

*Note: This list is not inclusive of all rules and regulations that medical marijuana dispensaries must follow. Businesses should refer to State and local law to determine what activities are permitted or prohibited for licensed dispensaries in the City of Long Beach. The purpose of this list is to provide easy reference to key local and State laws regarding dispensaries, in order to help businesses ensure they are operating legally. City staff will be enforcing these regulations, and failure to comply may result in penalties, suspension or revocation of the dispensary business license.*

## General Operating Conditions

	Condition	Reference
1	Marijuana may not be inhaled, smoked, eaten, ingested, or otherwise consumed within the Business, on the Property, in the parking areas of the Property, or in those areas restricted under the provisions of Health and Safety Code §11362.79.	LBMC 5.90.030 LBMC 5.90.0200
2	All cultivation, production, distribution, possession, storage, display, sales or other distribution of marijuana shall occur only within an enclosed area of a medical marijuana business and shall not be visible from the exterior of the business.	LBMC 5.90.030
3	Consultations by medical professionals shall not be permitted at a Medical Marijuana Business nor as a permitted accessory use at a medical marijuana business.	
4	Each Medical Marijuana Business shall have an odor-absorbing ventilation and exhaust system to ensure that odor generated inside the premises is not detected outside the premises.	
5	All Medical Marijuana and Medical Marijuana Product intended for disposal shall be made unusable and unrecognizable prior to removal from the business, in compliance with all applicable laws.	
6	A sign shall be posted in a conspicuous location inside each Property advising: (a) It is a violation of State Law to engage in the sale of marijuana or the diversion of marijuana for non-medical purposes; (b) The use of marijuana may impair a person's ability to drive a motor vehicle or operate heavy machinery; (c) Loitering at the location of a Medical Marijuana Business for an illegal purpose is prohibited by Penal Code §647(h); (d) This Medical Marijuana Business is licensed in accordance with the laws of the City of Long Beach; (e) Your membership will be terminated if you engage in the illegal sale or diversion of Medical Marijuana.	LBMC 5.90.060
7	No person, other than a patient, caregiver, licensee, employee, or a contractor shall be in the medical marijuana dispensary room. No patient shall be allowed entry into the medical marijuana dispensary room without showing a valid State issued picture Driver's License or Identification.	LBMC 5.90.0200
8	No Medical Marijuana Dispensary shall be open to or provide Medical Marijuana to qualified patients or employees between the hours of eight (8) pm and nine (9) am.	
9	No person under the age of eighteen (18) shall be allowed on the Property, unless that minor is a Qualified Patient and is accompanied by his or her licensed Attending Physician, parent(s) or documented legal guardian.	
10	No Medical Marijuana Dispensary, Management Employee or employee shall cause or permit the sale, dispensing, or consumption of alcoholic beverages on the Property or in the parking area of the property.	

## Testing, Packaging, Labeling

	Condition	Reference
1	Prior to sale at a dispensary, medical cannabis products shall be labeled and in a tamper-evident package. Labels and packages of medical cannabis products shall not be made to be attractive to children.	MCRSA - B&P Code 19347
2	All medical cannabis product labels shall include the following information, prominently displayed and in a clear and legible font: Manufacture date and source; The statement "SCHEDULE I CONTROLLED SUBSTANCE"; The statement "KEEP OUT OF REACH OF CHILDREN AND ANIMALS" in bold print; The statement "FOR MEDICAL USE ONLY"; The statement "THE INTOXICATING EFFECTS OF THIS PRODUCT MAY BE DELAYED BY UP TO TWO HOURS"; The statement "THIS PRODUCT MAY IMPAIR THE ABILITY TO DRIVE OR OPERATE MACHINERY. PLEASE USE EXTREME CAUTION".	
3	All medical cannabis product labels shall also include the following information, prominently displayed and in a clear and legible font: For packages containing only dried flower, the net weight of medical cannabis in the package; A warning if nuts or other known allergens are used; List of pharmacologically active ingredients, including, but not limited to, tetrahydrocannabinol (THC), cannabidiol (CBD), and other cannabinoid content, the THC and other cannabinoid amount in milligrams per serving, servings per package, and the THC and other cannabinoid amount in milligrams for the package total; Clear indication, in bold type, that the product contains medical cannabis; Identification of the source and date of cultivation and manufacture.	
4	Only generic food names may be used to describe edible medical cannabis products.	

5	Representative samples of Medical Marijuana distributed by the Business shall be analyzed by an independent laboratory to ensure that they are free of harmful pesticides and other contaminants regulated under local, state or federal law.	LBMC 5.90.060
6	Medical cannabis and medical cannabis products shall be tested by a registered testing laboratory, prior to retail sale or dispensing, as follows: Medical cannabis from dried flower shall, at a minimum, be tested for concentration, pesticides, mold, and other contaminants; Medical cannabis extracts shall, at a minimum, be tested for concentration and purity of product.	MCRSA - B&P Code 19326
7	When submitting medical marijuana samples for laboratory testing, the Dispensary shall obtain results for the chemical profile of the lot including, but not limited to, the following: (1) Tetrahydrocannabinol (THC); Tetrahydrocannabinolic Acid (THCA); Cannabidiol (CBD); Cannabidiolic Acid (CBDA); Terpenes; Cannabigerol (CBG); Cannabinol (CBN) (2) That the presence of contaminants does not exceed the most current version of the American Herbal Pharmacopoeia monograph. This includes residual solvents, processing chemicals, foreign material, and microbiological impurities (including total aerobic microbial count, total yeast mold count, P. aeruginosa, aspergillus spp., s. aureus, aflatoxin B1, B2, G1, or G2 or ochratoxin A). (3) Specifications for odor and appearance. (4) Residual levels of volatile organic compounds.	MCRSA - B&P Code 19344
8	No pesticides or insecticides prohibited by federal, State, or local law for fertilization or production of edible produce may be used on any marijuana cultivated, produced or distributed by a Medical Marijuana Business. A Medical Marijuana Business shall comply with all applicable federal, State, and local laws regarding use and disposal of pesticides and fertilizers.	LBMC 5.90.030

## Transportation

	Condition	Reference
1	All medical marijuana-infused products must be hand packaged, sealed and labeled, and the products stored in closed containers that are labeled. All medical marijuana in a usable form for medicinal use must be packaged and stored in closed containers that are labeled.	LBMC 5.90.0140
2	Each container used to transport or deliver medical marijuana is labeled with the amount of medical marijuana or medical marijuana-infused products, or the number and size of the plants, in the container. The label shall include the name and address of the medical marijuana business that the medical marijuana is being transported or delivered from and the name and address of the medical marijuana business or individual that the medical marijuana is being transported to. The label shall be shown to any law enforcement officer who requests to see the label.	
3	An individual transporting medical marijuana items must have a valid California Driver's License and shall use a vehicle for transport that is insured at or above the legal requirement in California; capable of securing (locking) the medical marijuana during transportation; and capable of being temperature controlled if perishable medical marijuana is being transported.	

## Delivery

	Condition	Reference
1	A permitted medical marijuana dispensary may deliver medical marijuana only to a residence of a qualified patient or caregiver. For purposes of this rule, "residence" means a dwelling such as a house or apartment but does not include a dormitory, hotel, motel, bed and breakfast or similar commercial business.	LBMC 5.90.0140
2	A bona fide order must be received by a permitted dispensary from the individual requesting delivery, before 8:00 p.m. on the day the delivery is requested. The bona fide order must contain: (a) The individual requestor's name, date of birth, the date delivery is requested and the address of the residence where the individual would like the items delivered; (b) A document that describes the marijuana proposed for delivery and the amounts; and (c) A written statement that the marijuana is for medical use only and not for the purpose of resale.	LBMC 5.90.0140
3	A medical marijuana dispensary must document the following regarding deliveries: The order and date/time it was received; The date/time the items were delivered; A description of the medical marijuana that was delivered, including the weight or volume and price paid by the consumer; Who delivered the items; and the name of the individual to whom the delivery was made and the delivery address. A dispensary is required to maintain the name of an individual to whom a delivery was made for eighteen (18) months from the date of delivery.	LBMC 5.90.0140
4	Deliveries must be made before 9:00 p.m. local time and may not be made between the hours of 9:00 p.m. and 8:00 a.m. local time.	LBMC 5.90.0140

5	At the time of delivery, the individual performing delivery must check the identification of the individual to whom delivery is being made in order to determine that it is the same individual who submitted the order, that the individual is eighteen (18) years of age or older, and must require the individual to sign a document indicating the medical marijuana products were received.	LBMC 5.90.0140
6	A medical marijuana dispensary may not deliver medical marijuana to an individual who is visibly intoxicated at the time of delivery, or who cannot provide a valid medical marijuana recommendation from a licensed medical doctor authorized by State law to issue recommendations, or to an individual who fails to provide a valid government issued identification verifying that the person is eighteen (18) years of age or older.	LBMC 5.90.0140
7	Deliveries may not be made more than once per day to the same physical address or to the same individual. Marijuana items delivered to an individual's residence must: (a) Comply with all packaging and labeling regulations established by this Chapter or the State of California; (b) Be placed in a larger delivery receptacle that has a label that reads: "Contains marijuana: Signature of person 18 years of age or older required for delivery."	LBMC 5.90.0140
8	All marijuana items must be kept in a lock-box securely affixed inside the delivery vehicle.	LBMC 5.90.0140
9	A manifest must be created for each delivery or series of deliveries and the individual doing the delivery may not make any unnecessary stops between deliveries or deviate substantially from the manifest route.	LBMC 5.90.0140
10	Home delivery or transportation services from outside the City of Long Beach city limits, or from a person or entity who does not have a valid Medical Marijuana Business License issued by the City of Long Beach are strictly prohibited.	LBMC 5.90.0140
11	Deliveries can only be made by a dispensary in a city, county, or city and county that does not explicitly prohibit it by local ordinance.	MCRSA - B&P Code 19340
12	No Medical Marijuana Business may have a drive through lane or drive up window and no Medical Marijuana may be dispensed from a drive through lane or drive up window.	LBMC 5.90.030

## Community Relations

	<u>Condition</u>	<u>Reference</u>
1	Each Medical Marijuana Business shall designate a Community Relations Liaison, who shall be at least twenty-one (21) years of age; and shall provide the Liaison's name to the City Manager. The Liaison shall receive all complaints received by the City Manager regarding the Medical Marijuana Dispensary, and make good faith attempts to promptly resolve all complaints. To address community complaints and concerns, the name and telephone number for the Liaison shall be made publicly available.	LBMC 5.90.030
2	Each Medical Marijuana Business Liaison is required to respond by phone or email within three (3) business days of contact by a city official concerning the Medical Marijuana Business. The name and contact information for Liaison of the medical marijuana business shall be conspicuously posted on the main entry doors to the business.	LBMC 5.90.030

## Inspections

	<u>Condition</u>	<u>Reference</u>
1	City representatives (Health, Fire and Building inspectors) may enter and inspect the Property of each Medical Marijuana Business between the hours of nine (9) am and eight (8) pm or during normal business hours.	LBMC 5.90.0170
2	All Medical Marijuana Businesses shall be subject to an annual regulatory inspection by the City to insure compliance with all of the applicable provisions of this Chapter and to confirm compliance with the business license permit issued by the City.	LBMC 5.90.0170
3	Licensing authorities and state and local agencies may, at any time, inspect shipments and request documentation for current inventory.	MCRSA - B&P Code 19335

## Security/Safety

	<b>Condition</b>	<b>Reference</b>
1	Every Medical Marijuana Business shall implement sufficient security measures to both deter and prevent unauthorized entrance into areas containing medical cannabis or medical cannabis products and theft of medical cannabis or medical cannabis products. These security measures, as appropriate, shall include, but not be limited to, the following: (a) Preventing individuals from remaining on the premises if they are not engaging in activity expressly related to the operations of the business; (b) Establishing limited access areas accessible only to authorized personnel; (c) Storing all finished medical cannabis and medical cannabis products in a secured and locked room, safe, or vault, and in a manner as to prevent diversion, theft, and loss, except for limited amounts of cannabis used for display purposes, samples, or immediate sale.	LBMC 5.90.040
2	Each Medical Marijuana Business shall install and maintain a fully operational digital video surveillance and camera recording system that monitors no less than the front and rear of the Property, all points of ingress and egress at the business, all points of sale within the business, all areas within the business where medical marijuana products are displayed for sale, and all limited access areas within the facility.	LBMC 5.90.040
3	The video and surveillance system shall, at a minimum, meet the following requirements: (a) Capture a full view of the public right-of-ways and any parking lot under the control of the medical marijuana business; (b) Be of adequate quality, color rendition and resolution to allow the ready identification of any individual committing a crime anywhere on or adjacent to the exterior of the property; (c) Record and maintain video for a minimum of thirty (30) days.	LBMC 5.90.040
4	Video surveillance and recording records shall be held in confidence by all employees and for legitimate law enforcement activity to resolve criminal activity; (d) Licensees are responsible for ensuring that all video or surveillance equipment is properly functioning and maintained, so that playback quality is suitable for viewing and the equipment is capturing the identity of all individuals and activities in the monitored areas; (e) At each point of sale location, camera coverage must enable recording of the customer(s) and employee's facial features with sufficient clarity to determine identity;	LBMC 5.90.040
5	(f) The system shall be capable of recording all monitored areas in any lighting conditions and must be housed in a designated, locked, and secured room or other enclosure with access limited to authorized employees. Licensees must keep a current list of all authorized employees and service personnel who have access to the surveillance system and/or room on the licensed premises;	LBMC 5.90.040
6	(g) A sign shall be posted in a conspicuous place near each monitored location on the interior or exterior of the premises which shall be not less than twelve (12) inches wide and twelve (12) inches long, composed of letters not less than one (1) inch in height, stating "All Activities Monitored by Video Camera" or "These Premises are Being Digitally Recorded", or otherwise advising all persons entering the premises that a video surveillance and camera recording system is in operation at the facility and recording all activity as provided in this Section;	LBMC 5.90.040
7	(h) All exterior camera views must be continuously recorded 24 hours a day and all interior cameras views shall be recorded during all hours that the facility is open for business.	LBMC 5.90.040
8	The medical marijuana business shall install and use a safe for storage of any processed marijuana and cash on the property when the business is closed to the public. The safe shall be incorporated into the building structure or securely attached thereto.	LBMC 5.90.040
9	For medical marijuana infused products that must be kept refrigerated or frozen, the business shall lock the refrigerated container or freezer in place of using a safe so long as the container is affixed to the building structure.	LBMC 5.90.040
10	The medical marijuana business shall install and use a fire and burglar alarm system that is monitored by a company that is staffed twenty-four hours (24) a day, seven (7) days a week. The security plan submitted to the City shall identify the company monitoring the alarm, including contact information, and the City shall be updated within seventy-two (72) hours of any change of monitoring company.	LBMC 5.90.040
11	A medical marijuana business engaged in retail sales shall retain and maintain a security guard or patrol, licensed by the State of California, generally located at an indoor guard station, during all hours of operation.	LBMC 5.90.040
12	No dried Medical Marijuana shall be stored at the property in structures that are not completely enclosed, in an unlocked vault or safe, in any other unsecured storage structure, or in a safe or vault that is not bolted to the floor of the property.	LBMC 5.90.0200
13	Windows and roof hatches at the Medical Marijuana Business shall be secured so as to prevent unauthorized entry.	

## Accounting/Record Keeping

	<u>Condition</u>	<u>Reference</u>
1	The Dispensary shall maintain an electronic point of sale inventory tracking and sales software system that provides for the creation of transportation manifests and the real time location tracking of the employee providing deliveries. The point of sale software shall be, upon regulatory implementation of the MMRSA, compliant with the State Unique Identifier and Track and Trace Program.	LBMC 5.90.0140 LBMC 5.90.0160
2	The records of the business shall clearly track medical marijuana product inventory purchased and/or grown and sales and disposal thereof to clearly track revenue from sales of any medical marijuana from other paraphernalia or services offered by the Medical Marijuana Business.	LBMC 5.90.0160
3	The records shall clearly show the source, amount, price and dates of all marijuana received or purchased, and the amount, price, dates and business, patient or caregiver for all medical marijuana sold.	LBMC 5.90.0160
4	Each Medical Marijuana Business shall keep a complete set of books of account, invoices, copies of orders and sales, shipping instructions, bills of lading, weigh bills, bank statements including cancelled checks and deposit slips and all other records necessary to show fully the business transactions of such licensee.	LBMC 5.90.0160
5	Each business shall maintain an inventory record documenting the dates and amounts of Medical Marijuana cultivated, processed or sold at the Property, and the daily amounts of Medical Marijuana stored on the Property.	LBMC 5.90.0160
6	Receipts shall be maintained via a computer program or by pre-numbered receipts and used for each sale.	LBMC 5.90.0160
7	A Medical Marijuana Business shall maintain the following records on the Property: The full name, address, and telephone number(s) of each owner, employee, manager, and landlord and/or lessee of the Property; A fully legible copy of a government issued form of identification of each manager; The date each employee and management Employee joined the Business; The date of birth of each employee and management Employee; and the exact nature of each employee's and management Employee's participation in the Medical Marijuana Business.	LBMC 5.90.0160
8	Each Medical Marijuana Dispensary operating in the City shall submit to the City Manager an annual financial report prepared by the Business. The report shall be filed and submitted every calendar year no later than April 30 for each preceding calendar year. The report shall summarize the quarterly reports that were filed with the State Board of Equalization in the previous year and shall document the number of Medical Marijuana transactions that took place during the reporting year to a Qualified Patient, employee or Management Employee for cash, credit, or in-kind contributions. Appended to the Annual Report shall be a copy of any and all documents, records or forms submitted to the State Board of Equalization for the reporting year, including but not limited to Board of Equalization Form 401 (or its electronic equivalent) which in any manner documents transaction activities relating to the operation of the Medical Marijuana Business.	LBMC 5.90.0160
9	Each business shall maintain on-site proof of a valid Business License Permit issued by the City of Long Beach.	LBMC 5.90.0160
10	All records kept and maintained by the licensee shall at all times protect the confidential information of the patient or caregiver. All records must be identified as confidential and any disclosure shall be limited in a manner that maintains the confidentiality of the information contained therein.	LBMC 5.90.0160
11	Any and all records described in Section 5.90.0160 of the Long Beach Municipal Code shall be maintained by the Medical Marijuana Business for a period of Seven (7) years.	LBMC 5.90.0160
12	A Medical Marijuana Dispensary holding a Business License Permit shall report to the City Manager each of the following within the time specified; provided that if no time is specified, such a report shall be provided within fifteen (15) days of the triggering event: (1) The transfer or change of ownership interest, business manager, or in the permit application at least thirty days before the transfer or change; (2) Sales and taxable transactions and file sales and use tax reports to the City quarterly; (3) A conviction of any disqualifying crime by any applicant of a Medical Marijuana Business.	LBMC 5.90.0130
13	The Dispensary shall at all times maintain liability insurance having aggregate policy limits in an amount not less than \$1,000,000.	LBMC 5.90.030